

**TOWN OF POCASSET, OKLAHOMA and  
POCASSET DEVELOPMENT AUTHORITY**

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING  
AGREED-UPON PROCEDURES**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2022**

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**Independent Accountant's Report  
on Applying Agreed-Upon Procedures**

To the Specified Users of the Report:

Town Council, Town of Pocasset  
Pocasset, Oklahoma

Trustees of the Pocasset Development Authority  
Pocasset, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

**Report on Compiled Financial Statements and Schedules**

Management is responsible for the accompanying financial statements and schedules of the Town of Pocasset and Pocasset Development Authority, Pocasset, Oklahoma, which comprise a Summary of Changes in Fund Balances-Modified Cash Basis as of the year ended June 30, 2022, and the related Budgetary Comparison Schedule-General Fund-Modified Cash Basis, Pocasset Development Authority-Statement of Revenues, Expenses and Changes in Fund Balance-Modified Cash Basis, and Schedule of Grant Activity-Modified Cash Basis for the year then ended in accordance with the modified cash basis of accounting, and for determining that the modified cash basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying financial statements and schedules nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any assurance on these financial statements and schedules.

The financial statements and schedules have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the modified cash basis and budget laws of the State of Oklahoma which is a basis of accounting other than accounting principles generally accepted in the United States of America.

Management has elected to omit substantially all of the disclosures ordinarily included in financial statements and schedules prepared in accordance with the modified cash basis of accounting. If the omitted disclosures were included in the financial statements and schedules, they might influence the user's conclusions about the Town's and Authority's assets, liabilities, fund balances, revenues, and expenses. Accordingly, these financial statements and schedules are not designed for those who are not informed about such matters.

## Report on Applying Agreed-upon Procedures

We have performed the procedures enumerated below which were agreed to by the specified users of the report as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and the Development Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the Town of Pocasset and the Pocasset Development Authority is responsible for the Town's and the Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Pocasset and the Pocasset Development Authority has agreed to and acknowledge that the procedures performed are appropriate to meet the intended purpose of meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance requirements with specific legal or contractual requirements for the fiscal year ended June 30, 2022. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

### Procedures and Findings

As to the **Town of Pocasset** as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Town's trial balances, we prepared a modified cash basis schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

*Findings: No instances of noncompliance were noted.*

2. **Procedures Performed:** From the Town's trial balances, we prepared a modified cash basis budget and actual financial schedule for the General Fund and any other significant funds (any fund whose revenues, expenditures or ending fund balance exceeds 10% of the Town's total revenues, expenditures or fund balances) listing separately each federal fund (see accompanying Exhibit 2) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

*Findings: No instances of noncompliance were noted.*

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

*Findings: In the General Fund checking account, outstanding check of \$91 was omitted from the June bank reconciliation and the general ledger.*

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

*Findings: No instances of noncompliance were noted.*

5. **Procedures Performed:** We compared the Town's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

*Findings: No instances of noncompliance were noted.*

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

*Findings: No instances of noncompliance were noted.*

7. **Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required reserve balances and debt service requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

*Findings: The Town had no contractual or debt service requirements. This procedure does not apply.*

As to the **Pocasset Development Authority**, as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenses and changes in fund balances - modified cash basis for each fund (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instances of noncompliance.

*Findings: No instances of noncompliance were noted.*

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

*Findings: In the Authority certificate of deposit account, there was a \$68 difference between the June 30, 2022 CD balance per bank and the general ledger. This was due to interest income not recorded.*

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

*Findings: No instances of noncompliance were noted.*

4. **Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

*Findings: No instances of noncompliance were noted.*

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

*Findings: No instances of noncompliance were noted.*

6. **Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required reserve balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

*Findings: The Authority had no contractual or debt service requirements. This procedure does not apply.*

As to the **Town of Pocasset and Pocasset Development Authority** grant programs, as of and for the fiscal year ended June 30, 2022:

1. **Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

*Findings: No instances of noncompliance were noted.*

We were engaged by the Town of Pocasset and the Pocasset Development Authority to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on the Town and the Development Authority meeting their financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of the Town of Pocasset and the Pocasset Development Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

*Angel, Johnston + Blasingame, P.C.*

Angel, Johnston and Blasingame, P.C.  
Chickasha, Oklahoma  
February 7, 2023

TOWN OF POCASSET AND POCASSET DEVELOPMENT AUTHORITY  
Pocasset, Oklahoma

SUMMARY OF CHANGES IN FUND BALANCES  
MODIFIED CASH BASIS  
For The Year Ended June 30, 2022  
(Unaudited)

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Fund Balances</u>
<b>TOWN:</b>				
General Fund	\$ 157,901	\$ 84,932	\$ 84,636	\$ 158,197
Grants and Donations Fund	-	-	-	-
<b>Town Subtotal</b>	<u>157,901</u>	<u>84,932</u>	<u>84,636</u>	<u>158,197</u>
<b>AUTHORITY:</b>				
Pocasset Development Authority	60,694	243	-	60,937
<b>Authority Subtotal</b>	<u>60,694</u>	<u>243</u>	<u>-</u>	<u>60,937</u>
<b>Overall Totals</b>	<u>\$ 218,595</u>	<u>\$ 85,175</u>	<u>\$ 84,636</u>	<u>\$ 219,134</u>

See Independent Accountant's Report on Agreed-Upon Procedures.

**TOWN OF POCASSET, OKLAHOMA**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND-MODIFIED CASH BASIS**  
**For The Year Ended June 30, 2022**  
**(Unaudited)**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
<b>Beginning Budgetary Fund Balance:</b>	\$ 170,000	\$ 170,000	\$ 157,901	\$ (12,099)
<b>Resources (Inflow):</b>				
<b>Taxes:</b>				
Franchise tax	9,550	9,550	5,757	(3,793)
Sales tax	50,000	50,000	43,103	(6,897)
Gasoline tax	500	500	336	(164)
Alcohol beverage tax	2,000	2,000	2,088	88
Vehicle tax	2,000	2,000	1,563	(437)
Tobacco tax	600	600	338	(262)
Use tax	15,000	15,000	11,375	(3,625)
<b>Total Taxes</b>	<u>79,650</u>	<u>79,650</u>	<u>64,560</u>	<u>(15,090)</u>
<b>Other Revenue:</b>				
Grants			18,164	18,164
Interest	400	400	146	(254)
Rental	1,500	1,500	1,290	(210)
Miscellaneous	-	-	772	772
<b>Total Other Revenue</b>	<u>1,900</u>	<u>1,900</u>	<u>20,372</u>	<u>18,472</u>
<b>Other Financing Sources:</b>				
Transfers from other funds	-	-	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Resources (Inflows)</b>	<u>81,550</u>	<u>81,550</u>	<u>84,932</u>	<u>3,382</u>
<b>Amounts available for appropriation</b>	<u>251,550</u>	<u>251,550</u>	<u>242,833</u>	<u>(8,717)</u>
<b>Charges to Appropriations (Outflows):</b>				
Maintenance & operations	58,950	58,950	19,737	39,213
Other services & charges	50,900	50,900	62,362	(11,462)
Undesignated expenses	30,000	30,000	-	30,000
Capital outlay	105,000	105,000	2,537	102,463
<b>Total Other</b>	<u>244,850</u>	<u>244,850</u>	<u>84,636</u>	<u>160,214</u>
<b>Other Financing Uses:</b>				
Transfers to other funds			-	-
<b>Total Charges to Appropriations (Outflows)</b>	<u>244,850</u>	<u>244,850</u>	<u>84,636</u>	<u>160,214</u>
<b>Ending Budgetary Fund Balance</b>	\$ <u>6,700</u>	\$ <u>6,700</u>	\$ <u>158,197</u>	\$ <u>151,497</u>
Current year encumbrances			-	
<b>Ending Fund Balance</b>			<u>\$ 158,197</u>	

See Independent Accountant's Report on Agreed-Upon Procedures.

**POCASSET DEVELOPMENT AUTHORITY**  
Pocasset, Oklahoma

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE**  
**MODIFIED CASH BASIS**  
**For The Year Ended June 30, 2022**  
**(Unaudited)**

	<b>Pocasset Development Authority</b>
<b>Operating Revenues:</b>	
Miscellaneous revenue	\$ -
Total Operating Revenue	<u>-</u>
<b>Operating Expenses:</b>	
Maintenance and operations	-
Total Operating Expenses	<u>-</u>
Operating Income (Loss)	<u>-</u>
<b>Non-Operating Revenues (Expenses):</b>	
Interest revenue	<u>243</u>
Total Non-Operating Revenues (Expenses)	<u>243</u>
<b>Net Income (Loss) Before Transfers</b>	243
Transfers in	-
Transfers out	<u>-</u>
<b>Changes in Fund Balance</b>	243
<b>Fund Balance - beginning</b>	<u>60,694</u>
<b>Fund Balance - ending</b>	<u>\$ <u>60,937</u></u>

See Independent Accountant's Report on Agreed-Upon Procedures.

**TOWN OF POCASSET AND POCASSET DEVELOPMENT AUTHORITY  
Pocasset, Oklahoma**

**SCHEDULE OF GRANT ACTIVITY  
MODIFIED CASH BASIS  
For The Year Ended June 30, 2022  
(Unaudited)**

	<u>Award Amount</u>	<u>Prior Year(s) Receipts</u>	<u>Prior Year(s) Disbursements</u>	<u>Beginning of Year Unexpended Grant Funds</u>	<u>Current Year Receipts</u>	<u>Current Year Disbursements</u>	<u>End of Year Unexpended Grant Funds</u>
<b>TOWN:</b>							
U.S. Department of the Treasury American Rescue Plan Act ALN #21.027	\$ 36,501	\$ -	\$ -	\$ -	\$ 18,164	\$ -	\$ 18,164
<b>Town Subtotal</b>	<u>36,501</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,164</u>	<u>-</u>	<u>18,164</u>
<b>AUTHORITY:</b>							
No Activity in Current Year	-	-	-	-	-	-	-
<b>Authority Subtotal</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Overall Totals</b>	<u>\$ 36,501</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,164</u>	<u>\$ -</u>	<u>\$ 18,164</u>

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